
By: **Delegates Madaleno, Barve, Bronrott, Cryor, Dumais, Feldman,
Goldwater, Hurson, Jones, King, Lee, Petzold, Proctor, Simmons, Stern,
and Taylor**

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Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 25, 2005

CHAPTER _____

1 AN ACT concerning

2 **Department of Transportation and Maryland Transportation Authority -**
 3 **~~Bond Authority and Debt Limits~~ Debt, Authority, and Financing**

4 FOR the purpose of ~~altering the maximum percentage of certain federal highway aid~~
 5 ~~that the Department of Transportation or the Maryland Transportation~~
 6 ~~Authority may pledge or use for the payment of principal of and interest on the~~
 7 ~~Department's or the Authority's bonds or debt obligations; expanding a certain~~
 8 ~~definition of tax-supported debt to require the Capital Debt Affordability~~
 9 ~~Committee to review and make recommendations regarding certain debt issued~~
 10 ~~by the Department of Transportation and the Maryland Transportation~~
 11 ~~Authority; repealing a certain requirement that the Capital Debt Affordability~~
 12 ~~Committee review and make recommendations about certain debt issued by the~~
 13 ~~Department of Transportation; repealing a certain requirement that the~~
 14 ~~Governor include a certain appropriation to the Transportation Trust Fund~~
 15 ~~under certain circumstances; providing for additional notice and comment~~
 16 ~~before the Authority enters into any contract or agreement to acquire or~~
 17 ~~construct a revenue-producing transportation facility project; repealing a~~
 18 ~~requirement that the Authority receive General Assembly approval through~~
 19 ~~legislation prior to issuing bonds for certain purposes after a certain date;~~
 20 ~~providing a certain limit on the issuance of certain debt by the Authority;~~
 21 ~~altering the maximum amount of debt that the Department or Authority may~~
 22 ~~issue that is supported by a pledge of future federal aid; altering the maximum~~
 23 ~~term of certain debt issued by the Department or the Authority that is secured~~
 24 ~~by a pledge of future federal aid; pledging certain taxes to the payment of bonds~~
 25 ~~supported by a pledge of future federal aid under certain circumstances;~~
 26 ~~providing that the State and the Authority shall finance a certain project in a~~

1 certain manner; requiring the Authority to issue certain bonds; requiring the
2 Governor to transfer certain amounts from the Transportation Trust Fund for
3 certain purposes; requiring the Governor to include certain appropriations in
4 the State budget for certain fiscal years; defining certain terms; stating the
5 intent of the General Assembly regarding project cost savings realized from a
6 certain project; providing for the effective date of this Act; and generally relating
7 to ~~limits on bond authority and debt incurred by debt, authority, and financing~~
8 of the Department of Transportation and the Maryland Transportation
9 Authority.

10 BY repealing and reenacting, with amendments,
11 Article - State Finance and Procurement
12 Section 7-311(j), 8-104, and 8-112
13 Annotated Code of Maryland
14 (2001 Replacement Volume and 2004 Supplement)

15 BY repealing
16 Article - Transportation
17 Section 3-216(g)
18 Annotated Code of Maryland
19 (2001 Replacement Volume and 2004 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article - Transportation
22 Section 3-601(d), ~~4-101, 4-205(e), 4-302(a), 4-205,~~ 4-306, 4-307(a), and 4-320
23 Annotated Code of Maryland
24 (2001 Replacement Volume and 2004 Supplement)

25 BY adding to
26 Article - Transportation
27 Section 4-321
28 Annotated Code of Maryland
29 (2001 Replacement Volume and 2004 Supplement)

30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
31 MARYLAND, That the Laws of Maryland read as follows:

32 **Article - State Finance and Procurement**

33 7-311.

34 (j) (1) Except as provided in paragraph (2) of this subsection [and §
35 3-216(g) of the Transportation Article], for fiscal year 2006 and for each subsequent
36 fiscal year, the Governor shall include in the budget bill an appropriation to the
37 Account equal to the amount by which the unappropriated General Fund surplus as
38 of June 30 of the second preceding fiscal year exceeds \$10,000,000.

1 (2) The appropriation required under this subsection for any fiscal year
2 may be reduced by the amount of any appropriation to the Account required to be
3 included for that fiscal year under subsection (e) of this section.

4 8-104.

5 (a) In this Part II of this subtitle the following words have the meanings
6 indicated.

7 (b) "Committee" means the Capital Debt Affordability Committee.

8 (c) (1) "Tax supported debt" means:

9 [(1)] (I) State debt; and

10 [(2)] (II) other forms of debt, including State agency capital leases
11 supported in whole or part by State tax revenues[,] and debt of the Department of
12 Transportation, the Maryland Stadium Authority, and other units of State
13 government which, in the opinion of the Committee, are supported directly or
14 indirectly by State tax revenues.

15 (2) "TAX SUPPORTED DEBT" INCLUDES DEBT ISSUED BY THE
16 DEPARTMENT OF TRANSPORTATION UNDER TITLE 3, SUBTITLE 6 OF THE
17 TRANSPORTATION ARTICLE OR BY THE MARYLAND TRANSPORTATION AUTHORITY
18 UNDER TITLE 4, SUBTITLE 3 OF THE TRANSPORTATION ARTICLE THAT IS SECURED BY
19 A PLEDGE OF FUTURE FEDERAL AID FROM ANY SOURCE.

20 8-112.

21 (a) The Committee shall review on a continuing basis the size and condition of
22 the State tax supported debt as well as [:

23 (1) debt issued by the Department of Transportation under Title 3,
24 Subtitle 6 of the Transportation Article; and

25 (2)] other debt of State units, including the University System of
26 Maryland, Morgan State University, St. Mary's College of Maryland, and the
27 Baltimore City Community College.

28 (b) On or before September 10 of each year, the Committee shall submit to the
29 Governor and the General Assembly the Committee's estimate of the total amount of
30 new State debt that prudently may be authorized for the next fiscal year.

31 (c) In making the estimate, the Committee shall consider:

32 (1) the amount of State bonds that, during the next fiscal year:

33 (i) will be outstanding; and

34 (ii) will be authorized but unissued;

- 1 (2) the capital program prepared by the Department of Budget and
2 Management;
- 3 (3) capital improvement and school construction needs during the next 5
4 fiscal years, as projected by the Interagency Committee on School Construction;
- 5 (4) projections of debt service requirements during the next 10 fiscal
6 years;
- 7 (5) the criteria that recognized bond rating agencies use to judge the
8 quality of issues of State bonds;
- 9 (6) any other factor that is relevant to:
- 10 (i) the ability of the State to meet its projected debt service
11 requirements for the next 5 fiscal years; or
- 12 (ii) the marketability of State bonds;
- 13 (7) the effect of authorizations of new State debt on each of the factors
14 set out in this subsection; and
- 15 (8) the amount of issuances, debt outstanding, and debt service
16 requirement of other classes of State tax supported debt as well as[:
- 17 (i) debt issued by the Department of Transportation under Title 3,
18 Subtitle 6 of the Transportation Article; and
- 19 (ii)] other debt of State units, including the University System of
20 Maryland, Morgan State University, St. Mary's College of Maryland, and the
21 Baltimore City Community College.
- 22 (d) The estimate of the Committee:
- 23 (1) is advisory; and
- 24 (2) does not bind the General Assembly, the Board, or the Governor.
- 25 (e) (1) In addition to its other duties under this section, the Committee shall
26 review on a continuing basis the size and condition of any debt of the University
27 System of Maryland, Morgan State University, St. Mary's College of Maryland, and
28 the Baltimore City Community College.
- 29 (2) In preparing an estimate with respect to the authorization of any new
30 State debt, the Committee shall take into account as part of the affordability analysis
31 any debt for academic facilities to be issued by a System.
- 32 (3) At the same time that the Committee makes its report as required
33 under paragraph (b) of this section, the Committee shall submit to the Governor and
34 the General Assembly the Committee's estimate of the amount of new bonds for
35 academic facilities that prudently may be authorized in the aggregate for the next

1 fiscal year by the University System of Maryland, Morgan State University, and St.
2 Mary's College of Maryland.

3 (4) For purposes of this subtitle, the terms "System" and "academic
4 facilities" have the meanings stated in § 19-101 of the Education Article.

5 (5) The Committee may request any needed information from a System
6 and shall consider the information in making its estimates, including any information
7 submitted by a System at its own initiative.

8 (6) This estimate:

9 (i) is advisory; and

10 (ii) does not bind the General Assembly, the Board, or the Governor.

11 [(f) (1) In addition to the other duties under this section, the Committee
12 shall review on a continuing basis the size and condition of any debt issued by the
13 Department of Transportation under Title 3, Subtitle 6 of the Transportation Article.

14 (2) In preparing an estimate with respect to the authorization of any new
15 State debt, the Committee shall take into account as part of the affordability analysis
16 any debt issued by the Department of Transportation under Title 3, Subtitle 6 of the
17 Transportation Article.

18 (3) At the same time that the Committee makes its report as required
19 under subsection (b) of this section, the Committee shall submit to the Governor and
20 the General Assembly the Committee's estimate of the amount of new bonds that may
21 prudently be issued by the Department of Transportation under Title 3, Subtitle 6 of
22 the Transportation Article.

23 (4) The Committee may request any needed information from the
24 Department of Transportation and shall consider the information in making its
25 estimates, including any information submitted by the Department of Transportation
26 on its own initiative.

27 (5) This estimate:

28 (i) is advisory; and

29 (ii) does not bind the General Assembly, the Board, or the
30 Governor.]

31 **Article - Transportation**

32 3-216.

33 [(g) (1) Notwithstanding § 7-311(j) of the State Finance and Procurement
34 Article, for fiscal year 2006 and for each subsequent fiscal year, if the unappropriated
35 General Fund surplus as of June 30 of the second preceding fiscal year exceeds

1 \$10,000,000, except as provided in paragraph (3) of this subsection, the Governor
 2 shall include in the budget bill an appropriation to the Transportation Trust Fund in
 3 an amount equal to the lesser of \$50,000,000 or the excess surplus over \$10,000,000.

4 (2) For any fiscal year to which this subsection applies:

5 (i) Unless the unappropriated General Fund surplus as of June 30
 6 of the second preceding fiscal year exceeds the sum of \$10,000,000 and the amount
 7 required to be appropriated to the Transportation Trust Fund under paragraph (1) of
 8 this subsection, the appropriation to the Revenue Stabilization Account under §
 9 7-311(j) of the State Finance and Procurement Article is not required; and

10 (ii) If the unappropriated General Fund surplus as of June 30 of the
 11 second preceding fiscal year exceeds the sum of \$10,000,000 and the amount required
 12 to be appropriated to the Transportation Trust Fund under paragraph (1) of this
 13 subsection, the appropriation required to the Revenue Stabilization Account under §
 14 7-311(j) of the State Finance and Procurement Article shall equal the amount by
 15 which that surplus exceeds the sum of \$10,000,000 and the amount appropriated to
 16 the Transportation Trust Fund under paragraph (1) of this subsection.

17 (3) (i) The cumulative amount appropriated to the Transportation
 18 Trust Fund under paragraph (1) of this subsection for all fiscal years may not exceed
 19 \$314,913,000.

20 (ii) This subsection does not apply to any fiscal year if a cumulative
 21 amount equal to at least \$314,913,000 has been appropriated to the Transportation
 22 Trust Fund for prior fiscal years under this subsection.]

23 3-601.

24 (d) If the Department intends to pledge any future federal aid from any source
 25 to support repayment of bonds issued under this subtitle:

26 (1) The annual payments for principal of and interest on the bonds may
 27 not exceed [13] 20 percent of the State's average annual authorization level in the
 28 current federal authorization act for federal highway aid provided under Title 23 of
 29 the United States Code; and **COMBINED AND CUMULATIVE TOTAL OF DEBT ISSUED**
 30 **UNDER THIS SUBTITLE OR TITLE 4, SUBTITLE 3 OF THIS ARTICLE THAT IS**
 31 **SUPPORTED BY A PLEDGE OF FUTURE FEDERAL AID MAY NOT EXCEED \$750,000,000 IN**
 32 **PRINCIPAL AMOUNT;**

33 (2) The date of maturity may not be later than ~~15~~ 12 years after the date
 34 of issue; **AND**

35 (3) **IF FUTURE FEDERAL AID IS INSUFFICIENT TO PAY THE PRINCIPAL**
 36 **OF AND INTEREST ON THE BONDS WHEN DUE, THE TAX LEVIED AND IMPOSED**
 37 **UNDER § 3-215 OF THIS TITLE IS IRREVOCABLY PLEDGED, EXCLUSIVE OF ANY MONEY**
 38 **PLEDGED TO CONSOLIDATED TRANSPORTATION BONDS, TO THE PAYMENT OF THE**
 39 **BONDS AS THEY ARE DUE AND PAYABLE, AND NO PART OF THE TAX OR OTHER FUNDS**

1 APPLICABLE TO DEBT SERVICE ON THE BONDS MAY BE REPEALED, DIMINISHED, OR
2 APPLIED TO ANY OTHER PURPOSE UNTIL:

3 (I) THE BONDS AND INTEREST ON THEM HAVE BECOME DUE AND
4 FULLY PAID; OR

5 (II) ADEQUATE AND COMPLETE PROVISION FOR PAYMENT OF THE
6 PRINCIPAL AND INTEREST HAS BEEN MADE.

7 4-101.

8 (a) In this title the following words have the meanings indicated.

9 (b) "Authority" means the Maryland Transportation Authority.

10 (c) "Cost", as applied to any transportation facilities project, includes the cost
11 of and all expenses incident to the construction, reconstruction, acquisition,
12 improvement, extension, alteration, modernization, planning, maintenance, and
13 repair of the project, including the cost and expenses of:

14 (1) All property acquired in connection with it;

15 (2) Financial, architectural, consulting, engineering, and legal services;

16 (3) Plans, specifications, surveys, estimates, feasibility reports, and
17 direct and indirect labor, material, equipment, and administrative expenses; and

18 (4) Financing the project, including financing charges and interest
19 before, during, and for 1 year after completion of construction.

20 (d) "Outstanding and unpaid" does not include:

21 (1) Bonds purchased and held in sinking funds by or for the Authority; or

22 (2) If the money for their payment or redemption has been provided:

23 (i) Matured bonds not presented for payment; or

24 (ii) Bonds called for redemption but not presented for redemption.

25 (e) "Refunding" means the retirement and cancellation of bonds, including
26 revenue bonds of prior issues, after their acquisition by or for the Authority, whether
27 before, at, or after maturity, either in exchange for other bonds or by payment,
28 purchase, or redemption with the proceeds of the sale of other bonds.

29 (f) "Resolution", as used with respect to the Authority, means a resolution
30 adopted by the affirmative vote of a majority of the appointed members of the
31 Authority and concurred in by the Chairman.

32 (G) "REVENUE BONDS" MEANS BONDS ISSUED FROM TIME TO TIME BY THE
33 AUTHORITY THAT ARE PAYABLE FROM TOLL REVENUES OR OTHER

1 AUTHORITY-SOURCED REVENUES AND ARE NOT ISSUED ON BEHALF OF ANY OTHER
2 PUBLIC OR PRIVATE ENTITY.

3 (H) "Revenue bonds of prior issues" means:

4 (1) "State of Maryland Bridge and Tunnel Revenue Bonds" dated as of
5 October 1, 1954;

6 (2) "State of Maryland Northeastern Expressway Revenue Bonds" dated
7 as of January 1, 1962;

8 (3) "State of Maryland Bridge and Tunnel Revenue Bonds";

9 (i) "(Series 1968)" dated as of October 1, 1968; and

10 (ii) "(Series 1975)" dated as of July 1, 1975; and

11 (4) Any other revenue bonds issued under the same provisions of law
12 that authorized the issuance of the bonds listed in this subsection.

13 [(h)] (I) "Transportation facility" has the meaning stated in § 3-101 of this
14 article.

15 [(i)] (J) "Transportation facilities project" includes:

16 (1) The Susquehanna River Bridge, the Harry W. Nice Memorial
17 Potomac River Bridge, the William Preston Lane, Jr. Memorial Chesapeake Bay
18 Bridge and parallel Chesapeake Bay Bridge, the Baltimore Harbor Tunnel, the
19 Francis Scott Key Bridge, and the John F. Kennedy Memorial Highway, together with
20 their appurtenant causeways, approaches, interchanges, entrance plazas, toll
21 stations, and service facilities;

22 (2) A vehicle parking facility located in a priority funding area as defined
23 in § 5-7B-02 of the State Finance and Procurement Article;

24 (3) Any other project for transportation facilities that the Authority
25 authorizes to be acquired or constructed; and

26 (4) Any additions, improvements, or enlargements to any of these
27 projects, whenever authorized.

28 [(j)] (K) "Vehicle parking facility" means a controlled entrance and exit
29 building, structure, surface lot, and other facility for parking vehicles, for which fees
30 or charges are established for the use of the facility.

31 4-205.

32 (a) [In] SUBJECT TO § 4-306 OF THIS TITLE AND IN addition to the powers
33 otherwise specifically granted by law, the Authority has the powers described in this
34 section.

1 (b) The Authority may acquire, hold, and dispose of property in the exercise of
 2 its powers and performance of its duties.

3 (c) (1) Subject to the limitations described in paragraph (2) of this
 4 subsection, the Authority may make any contracts and agreements necessary or
 5 incidental to the exercise of its powers and performance of its duties.

6 (2) Not less than 45 days before entering into any contract or agreement
 7 to acquire or construct a revenue-producing transportation facilities project, subject
 8 to § 2-1246 of the State Government Article, the Authority shall provide ~~TO~~ ~~a~~
 9 ~~description of the proposed project and a summary of the contract or agreement to:~~

10 (i) ~~The~~ ~~THE~~ ~~Senate Budget and Taxation Committee, [and] the~~
 11 ~~House Committee on Ways and Means [and], THE House Appropriations Committee,~~
 12 ~~{for review and comment;} and~~

13 (ii) ~~The~~ ~~THE~~ ~~Department of Legislative Services, FOR REVIEW AND~~
 14 ~~COMMENT, THE FOLLOWING:~~

15 (I) ~~A DESCRIPTION OF THE PROPOSED PROJECT;~~

16 (II) ~~A SUMMARY OF THE CONTRACT OR AGREEMENT;~~

17 (III) ~~THE TOTAL ESTIMATED COST OF THE PROJECT; AND~~

18 (IV) ~~A PRELIMINARY FINANCING PLAN FOR THE PROJECT. , TO THE~~
 19 ~~SENATE BUDGET AND TAXATION COMMITTEE, THE HOUSE COMMITTEE ON WAYS~~
 20 ~~AND MEANS, AND THE HOUSE APPROPRIATIONS COMMITTEE, FOR REVIEW AND~~
 21 ~~COMMENT, AND TO THE DEPARTMENT OF LEGISLATIVE SERVICES, A DESCRIPTION~~
 22 ~~OF THE PROPOSED PROJECT, A SUMMARY OF THE CONTRACT OR AGREEMENT, AND A~~
 23 ~~FINANCING PLAN THAT DETAILS:~~

24 (I) THE ESTIMATED ANNUAL REVENUE FROM THE ISSUANCE OF BONDS
 25 TO FINANCE THE PROJECT; AND

26 (II) THE ESTIMATED IMPACT OF THE ISSUANCE OF BONDS TO FINANCE
 27 THE PROJECT ON THE BONDING CAPACITY OF THE AUTHORITY.

28 (d) (1) Subject to paragraph (2) of this subsection, the Authority may employ
 29 and fix the compensation of attorneys, consulting engineers, accountants,
 30 construction and financial experts, superintendents, managers, and any other agents
 31 and employees that it considers necessary to exercise its powers and perform its
 32 duties. The compensation established by the Authority for executive management
 33 positions shall be consistent with the compensation of comparable positions in the
 34 Department of Transportation. The compensation established by the Authority shall
 35 be reported to the General Assembly each year as part of the Authority's presentation
 36 of its budget.

37 (2) The expense of employing these persons may be paid only from
 38 revenues or from the proceeds of revenue bonds issued by the Authority.

1 (e) The Authority may apply for and receive grants from any federal agency
 2 for the planning, construction, operation, or financing of any transportation facilities
 3 project and may receive aid or contributions of money, property, labor, or other things
 4 of value from any source, to be held, used, and applied for the purposes for which the
 5 grants, aid, and contributions are made.

6 (f) The Authority may adopt rules and regulations to carry out the provisions
 7 of this title.

8 (g) The Authority may do anything else necessary or convenient to carry out
 9 the powers granted in this title.

10 ~~4-302.~~

11 (a) ~~[Except as provided in § 4-306(b) of this subtitle, without] WITHOUT~~
 12 ~~limiting the power of the Authority to issue additional revenue bonds under the~~
 13 ~~provisions of law that authorize the issuance of revenue bonds of prior issues, the~~
 14 ~~Authority from time to time may issue its revenue bonds to finance the cost of any one~~
 15 ~~or more or combination of transportation facilities projects.~~

16 4-306.

17 (a) Except as provided in subsection (b) of this section, revenue] ~~REVENUE~~
 18 bonds may be issued by the Authority:

19 (1) Without obtaining the consent of any instrumentality, agency, or unit
 20 of this State; and

21 (2) Without any proceedings or the happening of any conditions or things
 22 other than those specifically required by this subtitle.

23 (b) (1) ~~On or after July 1, 2005, the Authority may not issue bonds to~~
 24 ~~finance all or any part of the cost of a transportation facility project until the General~~
 25 ~~Assembly has approved, through legislation, the specific project and the maximum~~
 26 ~~principal amount of bonds that the Authority may issue in connection with the~~
 27 ~~project.~~

28 (B) (1) THE REVENUE BONDS MAY BE ISSUED IN ANY AMOUNT AS LONG AS
 29 THE AGGREGATE OUTSTANDING AND UNPAID PRINCIPAL BALANCE OF THE
 30 REVENUE BONDS AND REVENUE BONDS OF PRIOR ISSUES DOES NOT EXCEED
 31 \$1,900,000,000 ON JUNE 30 OF ANY YEAR.

32 (2) ~~Without~~ EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION AND §
 33 4-205 OF THIS TITLE, WITHOUT the approval of the General Assembly, the Authority
 34 may issue bonds to refinance all or any part of the cost of a transportation facility
 35 project for which the Authority previously issued bonds authorized under this
 36 subtitle.}

1 4-307.

2 (a) ~~{Subject to the provisions of § 4-306(b) §§ 4-306(B), 4-320, AND 4-321 of this~~
3 ~~subtitle, if}~~ IF by reason of increased construction costs, error in estimates, or
4 otherwise, the proceeds of the revenue bonds of any issue are less than the amount
5 required for the purpose for which the bonds are authorized, additional revenue bonds
6 may be issued in a similar manner to provide the amount of the deficiency.

7 4-320.

8 If the Authority intends to pledge any future federal aid from any source to
9 support repayment of any debt instrument issued under this subtitle:

10 (1) ~~The annual payments for principal of and interest on the bonds may~~
11 ~~not exceed [13] 20 percent of the State's average annual authorization level in the~~
12 ~~current federal authorization act for federal highway aid provided under Title 23 of~~
13 ~~the United States Code; and~~ COMBINED AND CUMULATIVE TOTAL OF DEBT ISSUED
14 UNDER THIS SUBTITLE OR TITLE 3, SUBTITLE 6 OF THIS ARTICLE THAT IS
15 SUPPORTED BY A PLEDGE OF FUTURE FEDERAL AID MAY NOT EXCEED \$750,000,000 IN
16 PRINCIPAL AMOUNT;

17 (2) The date of maturity may not be later than ~~45~~ 12 years after the date
18 of issue; AND

19 (3) IF FUTURE FEDERAL AID IS INSUFFICIENT TO PAY THE PRINCIPAL
20 OF AND INTEREST ON THE BONDS WHEN DUE, THE TAX LEVIED AND IMPOSED
21 UNDER § 3-215 OF THIS TITLE IS IRREVOCABLY PLEDGED, EXCLUSIVE OF ANY MONEY
22 PLEDGED TO CONSOLIDATED TRANSPORTATION BONDS, TO THE PAYMENT OF THE
23 BONDS AS THEY ARE DUE AND PAYABLE, AND NO PART OF THE TAX OR OTHER FUNDS
24 APPLICABLE TO DEBT SERVICE ON THE BONDS MAY BE REPEALED, DIMINISHED, OR
25 APPLIED TO ANY OTHER PURPOSE UNTIL;

26 (I) THE BONDS AND INTEREST ON THEM HAVE BECOME DUE AND
27 FULLY PAID; OR

28 (II) ADEQUATE AND COMPLETE PROVISION FOR PAYMENT OF THE
29 PRINCIPAL AND INTEREST HAS BEEN MADE.

30 4-321.

31 (A) IN THIS SECTION, "INTERCOUNTY CONNECTOR" MEANS THE EAST-WEST
32 MULTIMODAL HIGHWAY IN MONTGOMERY AND PRINCE GEORGE'S COUNTIES
33 BETWEEN INTERSTATE 270 AND INTERSTATE 95/U.S. ROUTE 1, AS DESCRIBED IN THE
34 2005 - 2010 CONSOLIDATED TRANSPORTATION PLAN.

35 (B) THE STATE AND THE AUTHORITY SHALL FINANCE THE INTERCOUNTY
36 CONNECTOR AS PROVIDED IN THIS SECTION.

37 (C) THE AUTHORITY SHALL;

1 (1) ISSUE NOT MORE THAN \$750,000,000 IN BONDS SECURED BY A
2 PLEDGE OF FUTURE FEDERAL AID, WITH \$375,000,000 ISSUED IN FISCAL 2006,
3 \$325,000,000 ISSUED IN FISCAL 2008, AND \$50,000,000 ISSUED IN FISCAL 2010; AND

4 (2) ISSUE REVENUE BONDS UNDER THIS SUBTITLE THAT ARE NOT
5 SECURED BY A PLEDGE OF FUTURE FEDERAL AID.

6 (D) THE GOVERNOR SHALL TRANSFER FROM THE TRANSPORTATION TRUST
7 FUND TO THE AUTHORITY FOR THE INTERCOUNTY CONNECTOR \$22,000,000 IN
8 FISCAL 2005 AND \$38,000,000 IN FISCAL 2006.

9 (E) THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN
10 APPROPRIATION TO THE AUTHORITY FOR THE INTERCOUNTY CONNECTOR:

11 (1) FROM THE TRANSPORTATION TRUST FUND, AT LEAST \$30,000,000
12 EACH YEAR FOR FISCAL YEARS 2007 THROUGH 2010;

13 (2) FROM THE GENERAL FUND, AT LEAST \$53,000,000 EACH YEAR FOR
14 FISCAL YEARS 2007 THROUGH 2009 AND AT LEAST \$105,913,000 FOR FISCAL YEAR 2010;
15 AND

16 (3) AT LEAST \$10,000,000 FEDERAL AID FROM ANY SOURCE IN AMOUNTS
17 AS DEEMED PRUDENT.

18 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
19 General Assembly that any project cost savings realized from the Intercounty
20 Connector project, below the projected cost of \$2,447,000,000, shall be applied as
21 reductions in the amount of Maryland Transportation Authority toll-backed revenue
22 bonds issued.

23 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
24 effect ~~July~~ June 1, 2005.